

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

IN THE MATTER OF GREEN RIVER VALLEY WATER)	
DISTRICT, HART, BARREN, LARUE, GREEN, AND)	
METCALFE COUNTIES, KENTUCKY, (1) FOR A)	
CERTIFICATE OF PUBLIC CONVENIENCE AND)	CASE NO.
NECESSITY AUTHORIZING CONSTRUCTION OF)	96-563
MAJOR ADDITIONS AND IMPROVEMENTS TO ITS)	
WATER DISTRIBUTION SYSTEM, AND (2) SEEKING)	
APPROVAL OF THE ISSUANCE OF CERTAIN SECURITIES)	

O R D E R

On November 21, 1996, Green River Valley Water District ("Green River Water") submitted an application for a Certificate of Public Convenience and Necessity to construct a \$529,100 waterworks improvement project and for approval of its plan of financing for this project. This project will provide service to 92 additional customers. Project funding includes a \$249,000 bond issue to be purchased pursuant to an agreement with the U. S. Department of Agriculture's Rural Development ("RD"), formerly known as the Rural Economic and Community Development Service, a \$235,000 grant from RD, and \$45,100 from applicants for service in the proposed project area.

Green River Water's application was made pursuant to KRS 278.023, which requires the Commission to accept agreements between water utilities and the U. S. Department of Agriculture or the U. S. Department of Housing and Urban Development and to issue the necessary orders to implement the terms of such agreements within 30 days of satisfactory completion of the minimum filing requirements. Given that minimum

filing requirements were met in this case on December 9, 1996, KRS 278.023 does not grant the Commission any discretionary authority to modify or reject any portion of this agreement.

IT IS THEREFORE ORDERED that:

1. Green River Water is hereby granted a Certificate of Public Convenience and Necessity for the proposed construction project.
2. Green River Water's proposed plan of financing with RD is accepted.
3. Green River Water is authorized to issue bonds not to exceed \$249,000.
4. Green River Water shall file a copy of the "as-built" drawings and a certified statement that the construction has been satisfactorily completed in accordance with the contract plans and specifications within 60 days of the substantial completion of the construction certificated herein.
5. Green River Water shall monitor the adequacies of the expanded water distribution system after construction. If the level of service is inadequate or declining or the pressure to any customer falls outside the requirements of 807 KAR 5:066, Section 5(1), Green River Water shall take immediate action to bring the system in compliance with Commission regulations.

Nothing contained herein shall be deemed a warranty of the Commonwealth of Kentucky, or any agency thereof, of the financing herein accepted.

Done at Frankfort, Kentucky, this 20th day of December, 1996.

PUBLIC SERVICE COMMISSION

Linda K. Breathitt
Chairman

E. J. B. B. B.
Vice Chairman

B. J. Zeltan
Commissioner

ATTEST:

Don Mills
Executive Director